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Canterbury BID AGM

Professor Cathy Parker

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The Road to Recovery

How are towns, cities, businesses and communities being impacted by COVID-19

….and in Canterbury

The road from recovery to transformation

How are towns, cities, businesses and communities being impacted by COVID-19

- Footfall
- Social media
- Business resilience
- Consumer confidence and sentiment

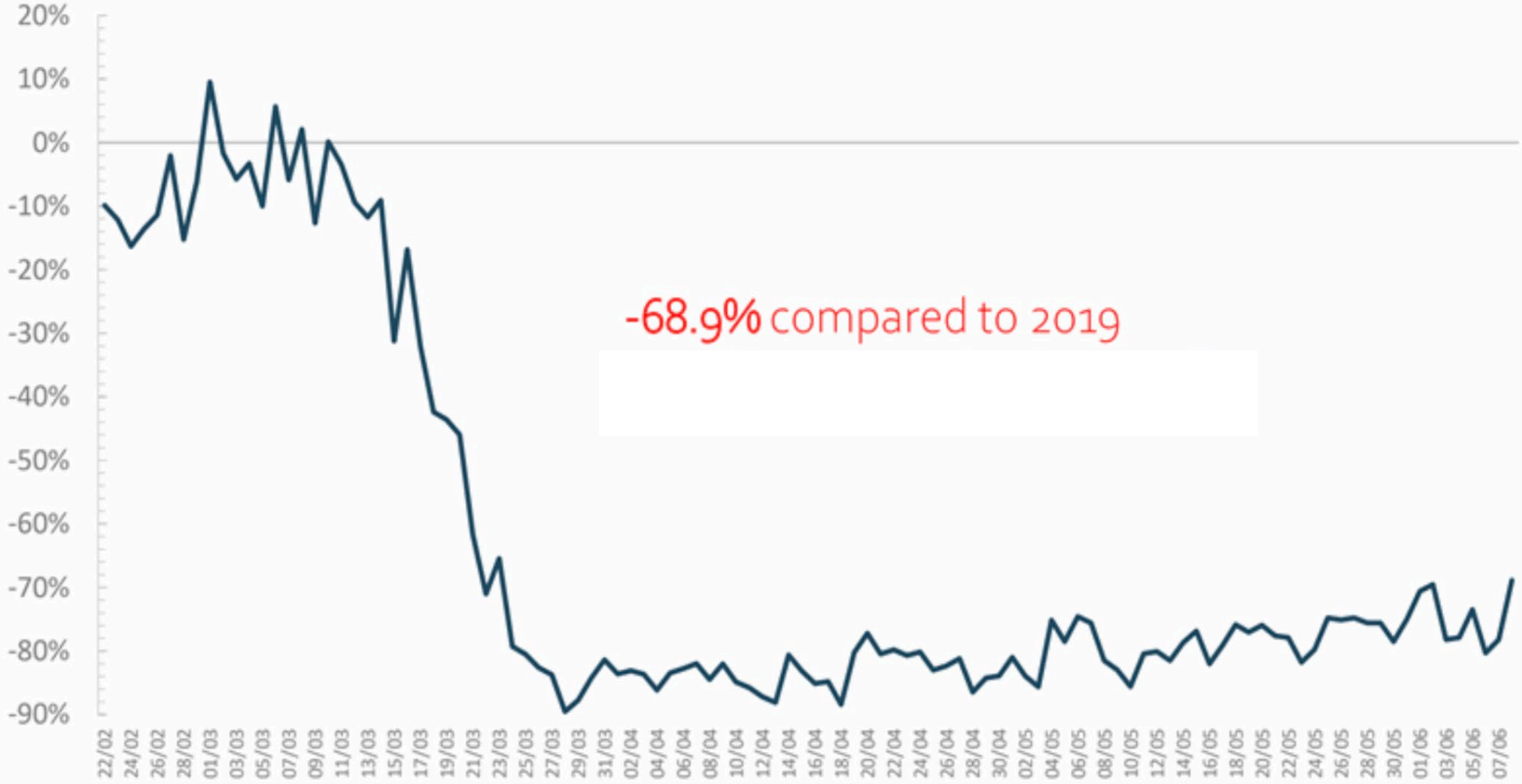
Footfall

Springboard

UK high street footfall daily index

9th June 2020

year-on-year comparison



Presented by

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Footfall benchmarks provided by

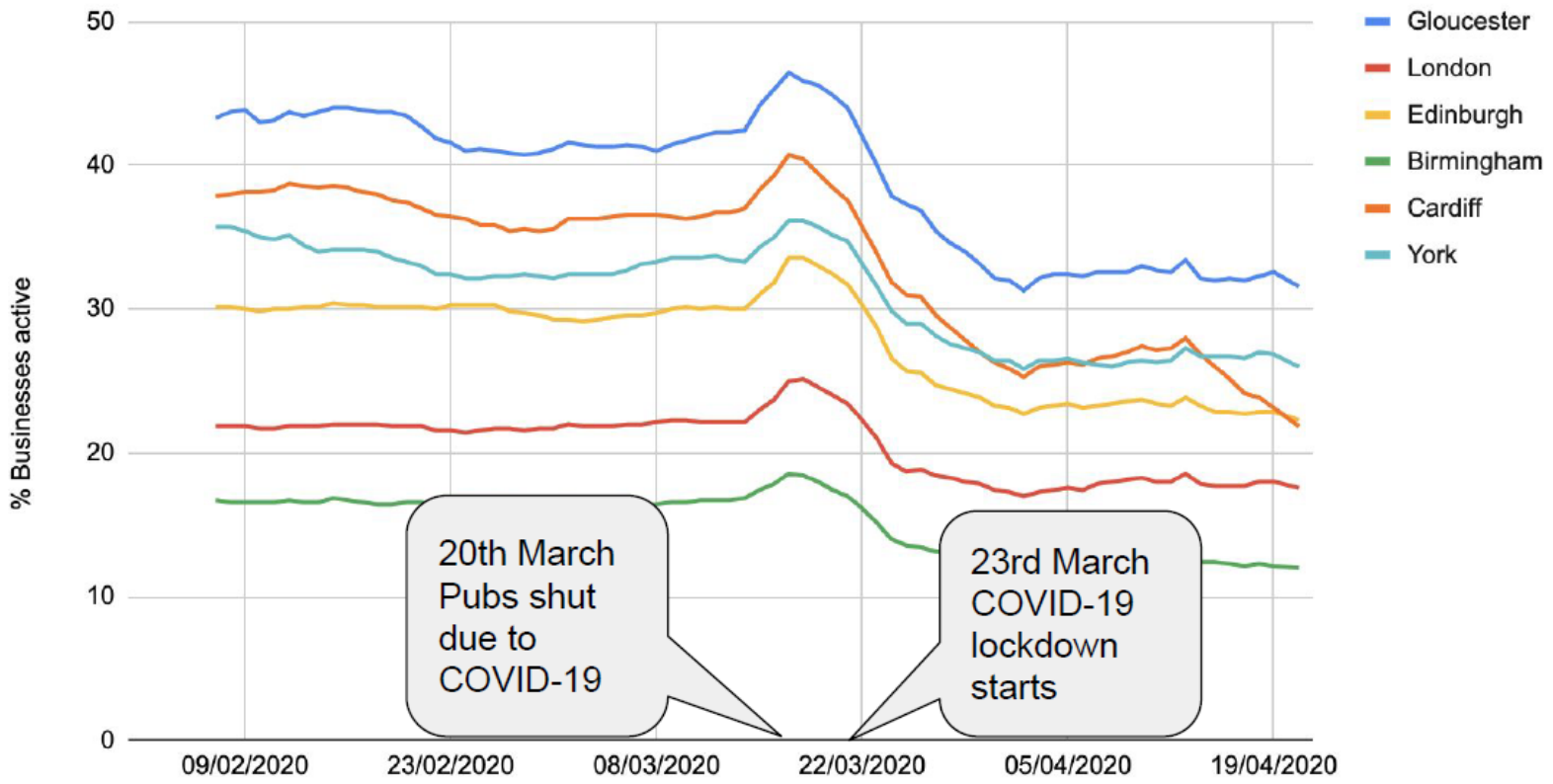
SPRINGBOARD.

Social media

Maybe*

Weekly social media activity of UK towns

Tracking the moving average of organisations in towns across the UK (300K organisations, 1300K towns)



HIGH STREETS TASK FORCE

Maybe*

PRE COVID-19

Consumers were spending and average of **2 hrs 22 mins** using social media every day.

(Forbes)

Against this, up to 78% of High Street organisations WERE NOT active on social media.

(Maybe - based on 300k organisations across 1300 High Streets)*

HIGH STREETS TASK FORCE

Maybe*

DURING COVID-19

Consumers time spent on social media **has increased by 40%**

(Statistica)

Against this, up to 88% of High Street organisations ARE NOW NOT active on social media.

(Maybe - based on 300k organisations across 1300 High Streets)*

HIGH STREETS TASK FORCE

COVID-19 Business Resilience Survey

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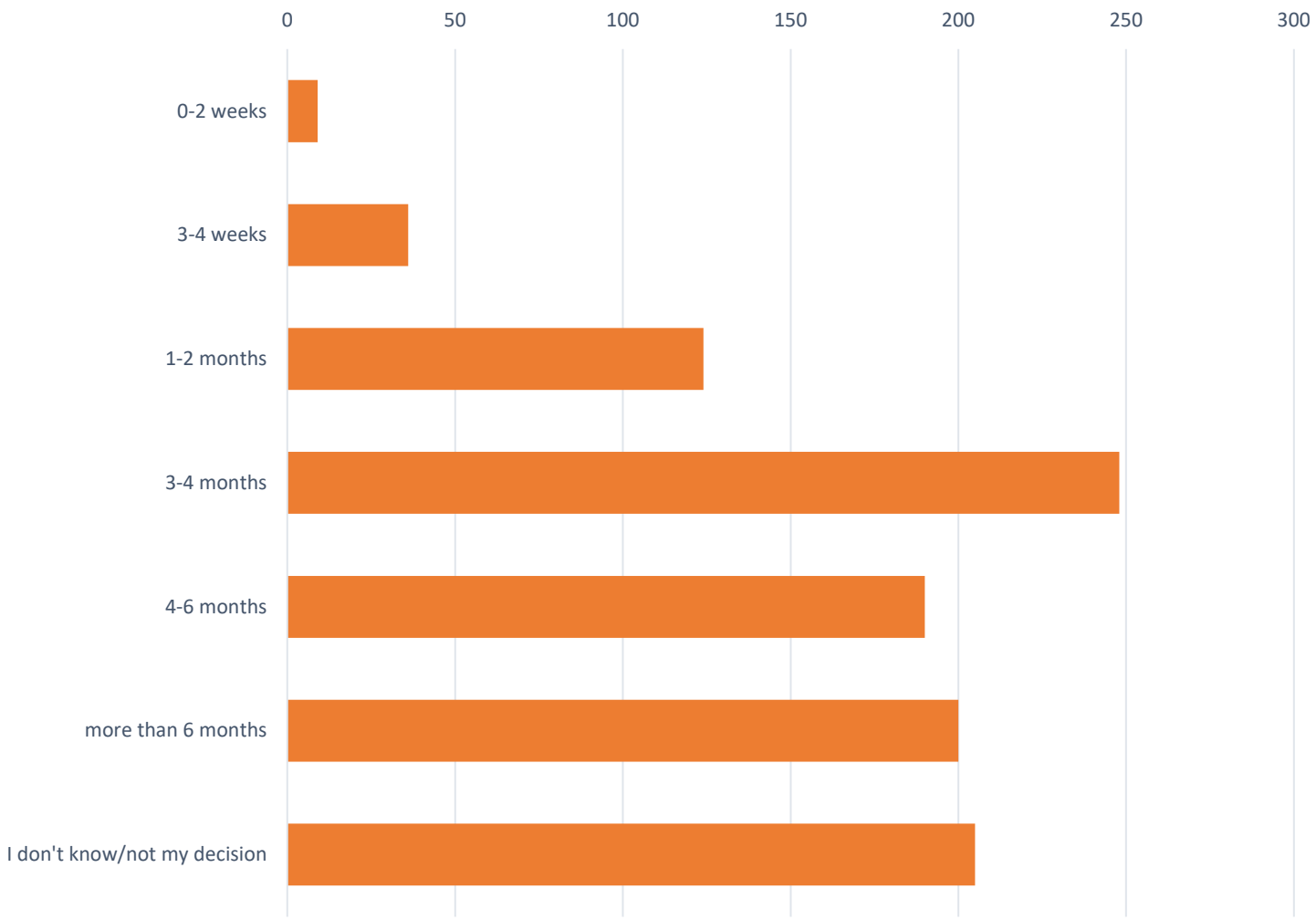
COVID-19 Impact on Takings

Impact on takings in comparison with the same period last year	Frequency	Percent %
81% - 100% decrease	685	67.4
51% - 80% decrease	113	11.1
26% - 50% decrease	97	9.5
1% - 25% decrease	65	6.4
Same as last year	22	2.2
1% - 25% increase	12	1.2
26% - 50% increase	1	0.1
51% - 80% increase	5	0.5
81% - 100% increase	8	0.8
more than 100% increase	8	0.8
Total	1016	100

HIGH STREETS TASK FORCE

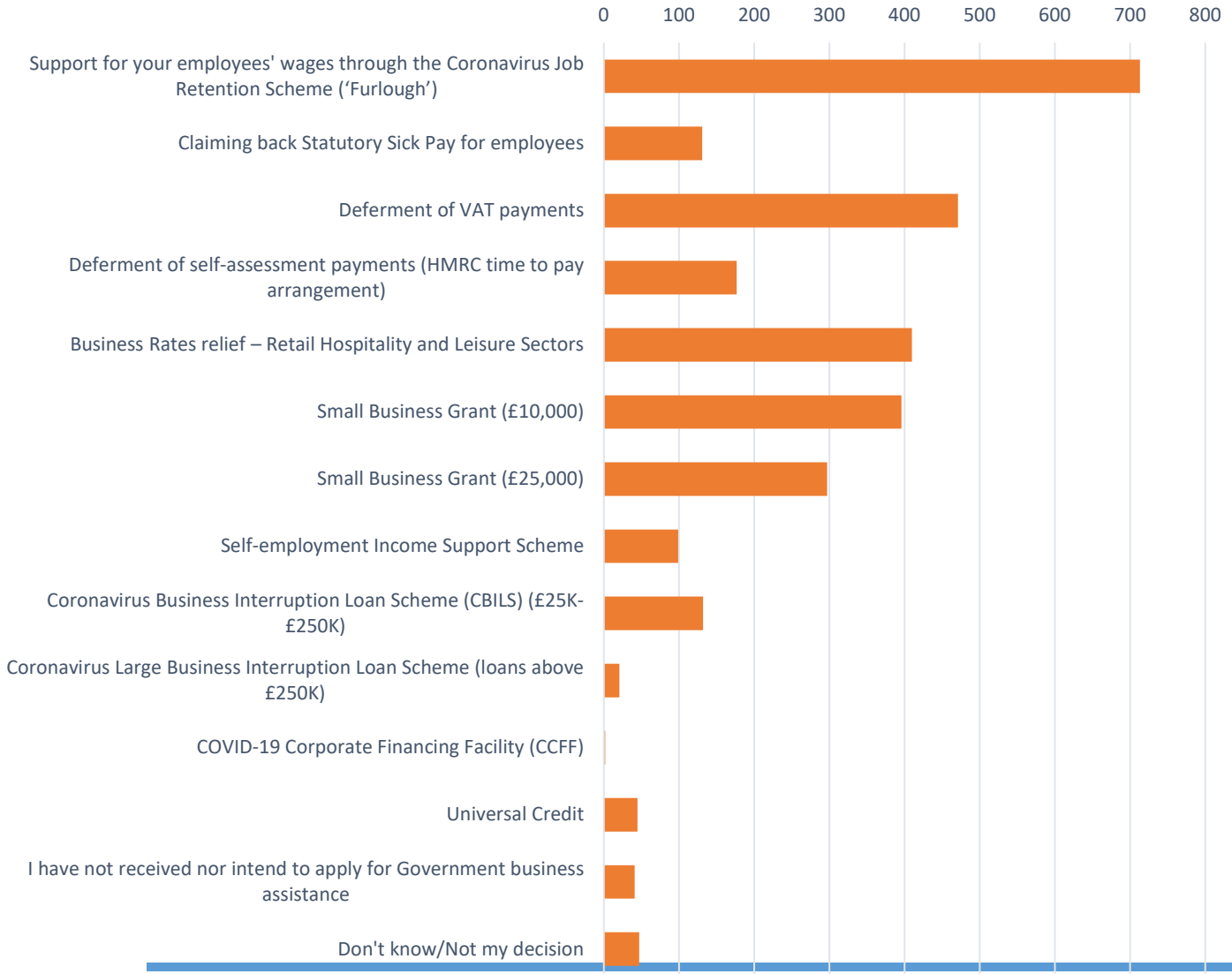
Estimated time before permanently ceasing trade



- 24.5% of businesses reported that they would cease trade in 3-4 months, whilst 19.8% said they estimated it to be more than 6 months.
- 20.3% felt it was out of their hands and stated that they did not know or that it was not their decision.

HIGH STREETS TASK FORCE

Business Support measures taken



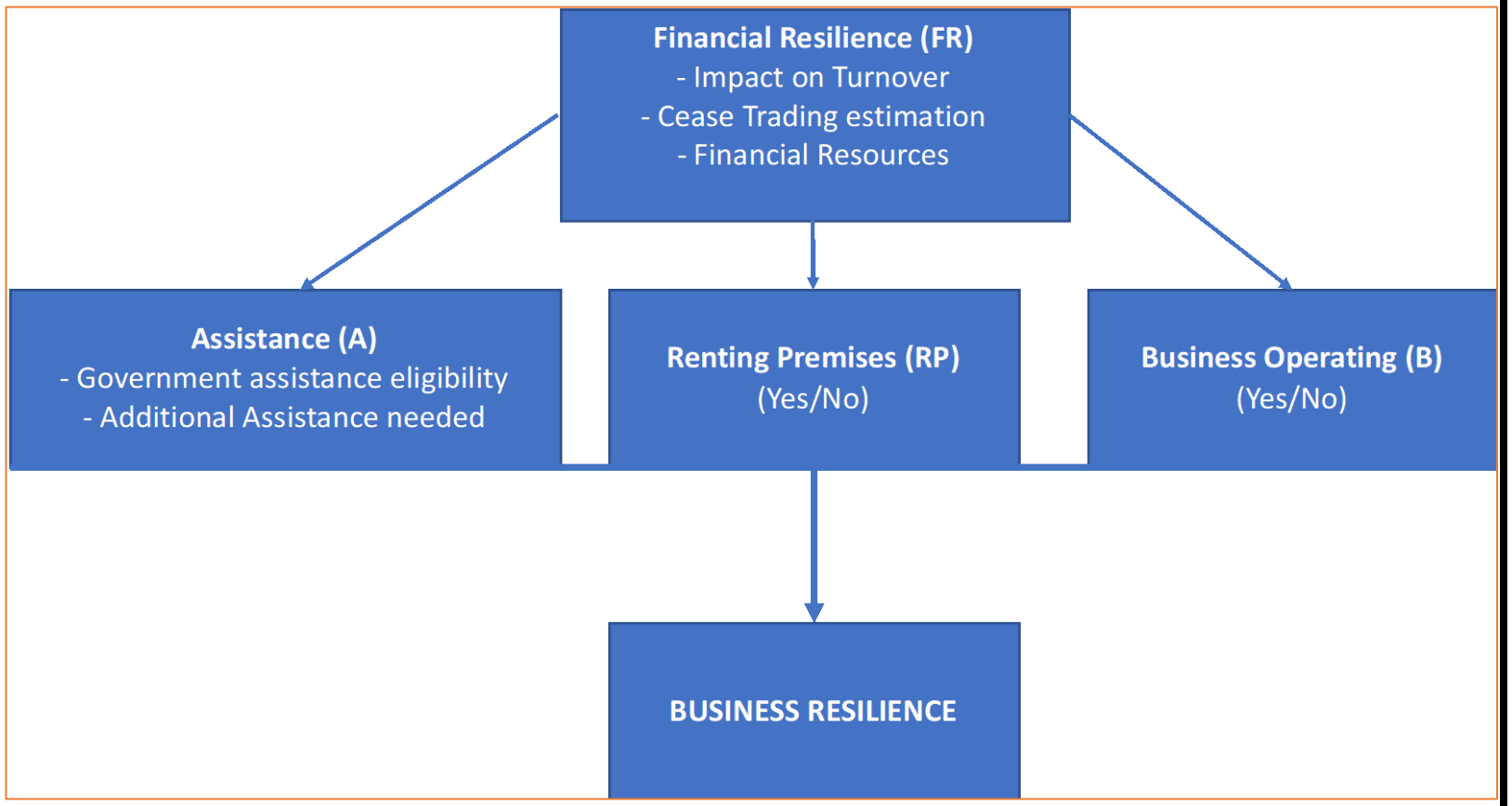
- 70.2% of respondents stated that they had received support for employees' wages through the Coronavirus Job Retention Scheme ('Furlough').

HIGH STREETS TASK FORCE

Business Resilience – Composite Score

This Business Resilience Framework shows the likelihood of a business to navigate the COVID-19 crisis based on:

- Financial Resilience (FR) = (Impact on Turnover*Cease Trading estimation*Financial Resources available)
- Assistance (A) = (Government assistance eligibility*Additional Assistance needed)
- Business Operating (B) (Yes/No)
- Renting Premises (RP) (Yes/No)
- Business Resilience Score = FR*(A*B*RP) (the highest the value the safer the business)



Flow diagram demonstrating how the Business Resilience composite score was calculated

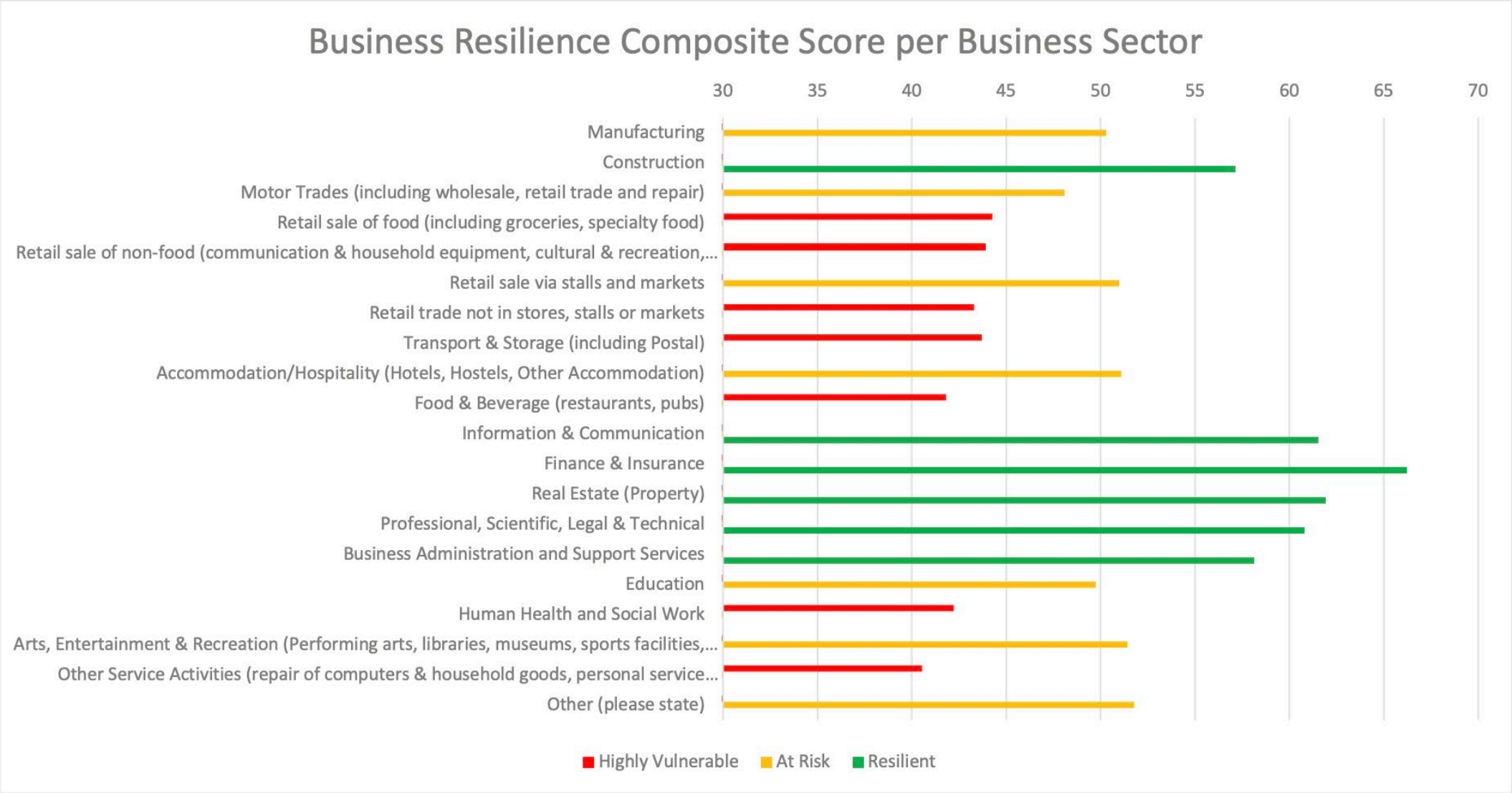


FIGURE A: BAR CHART SHOWCASING THE BUSINESS RESILIENCE COMPOSITE SCORE PER BUSINESS SECTOR USING THE RAG REPORTING SYSTEM

HIGH STREETS TASK FORCE

Theme: Business Assistance and Grants

"Businesses with rateable value over £51K should be given a grant just like the businesses under £51K vale have been awarded. To leave us out is discriminatory". (Industry: Food & Beverage (restaurants, pubs)).

Theme: Duration of Lockdown

"Uncertainty regarding "end date" is perhaps the most worrying aspect". (Industry: Professional, Scientific, Legal & Technical).

Theme: Recovery Plan to End Lockdown

"We are very concerned that when we reopen, we will not be in a strong financial position". (Industry: Food & Beverage (restaurants, pubs)).

Theme: Business Impact of Social Distancing

"We are concerned that when we reopen, clients will be able to move freely enough so they can visit us? Also due to social distancing, will we be able to accommodate all clients that want to come in?" (Industry: Hairdressing).

Theme: Context Specific Issues

"As a coastal destination business I feel we are already struggling before the COVID-19 outbreak to sustain profitable business due to our location and the reliance on people travelling to the area. If going forward the landscape changes and people don't travel outside of their near area we will struggle to maintain the business". (Industry: Food & Beverage (restaurants, pubs)).

Theme: Relationship with Landlords

"Landlord has gone silent and not discussing rent negotiations". (Industry: Retail trade not in stores, stalls or markets).

Theme: Personal Anxiety

"Mental health issues because of the stress and worry of my business surviving". (Industry: Human Health and Social Work).

HIGH STREETS TASK FORCE

Other Key Findings

- Some activities can be performed in some sort of capacity away from the actual premises (professional services and B2B trade mostly).
- Most vulnerable businesses include personal services, food & beverage, and the majority of retail stores.
- Small businesses show less resilience than sole traders.
- The majority of business with annual turnover less than £2m are in considerable trouble.
- Businesses in the South may have a bit more financial leeway to alleviate the crisis.

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Consumer sentiment

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Rising economic concerns

- A YouGov poll (*n*=1672) from 30th May 2020 revealed that Britons identified two main concerns facing the nation:
  - 66% of respondents were concerned about health issues
  - 61% of respondents were concerned about the economy
- This means economic concerns are now almost as high as health concerns (health concerns peaked amongst respondents at 74-75% between 21st March and 20th April.

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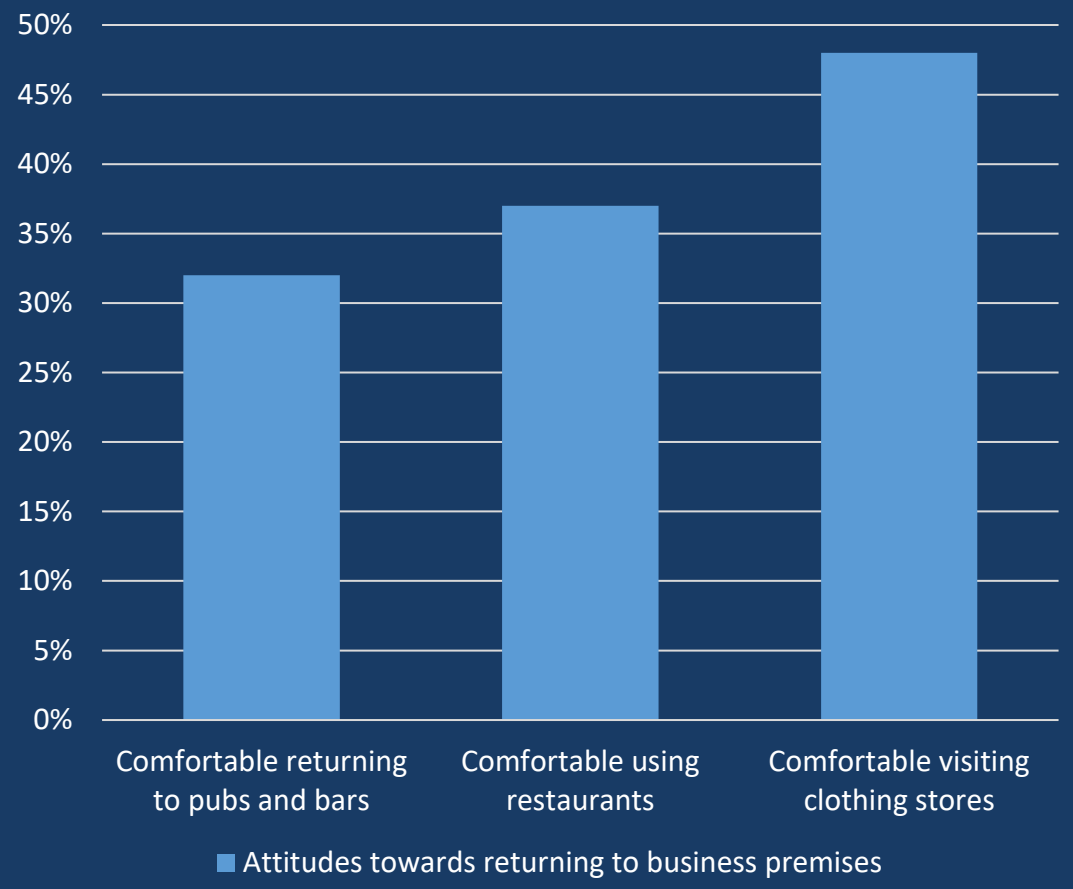
Heightened high street impacts

- Most recent ONS survey on economic impacts of COVID-19 reveals that the Arts, entertainment and recreation, and the accommodation and food service sectors have furloughed the highest percentages of staff:
  - Arts, entertainment and recreation: 73% of staff furloughed.
  - Accommodation and food service: 83% of staff furloughed.
- The latest ONS survey regarding retail sales shows that turnover is significantly down across all non-food retail, with textile, clothing and footwear stores seeing a universal decline.

Reluctant customer sentiments

- A recent survey (*n*=1652) conducted by YouGov about how comfortable customers are feeling about returning to businesses once they reopen show that:
  - Only 32% feel comfortable returning to pubs and bars.
  - 37% feel comfortable using restaurants again.
  - 48% feel comfortable visiting clothing stores.



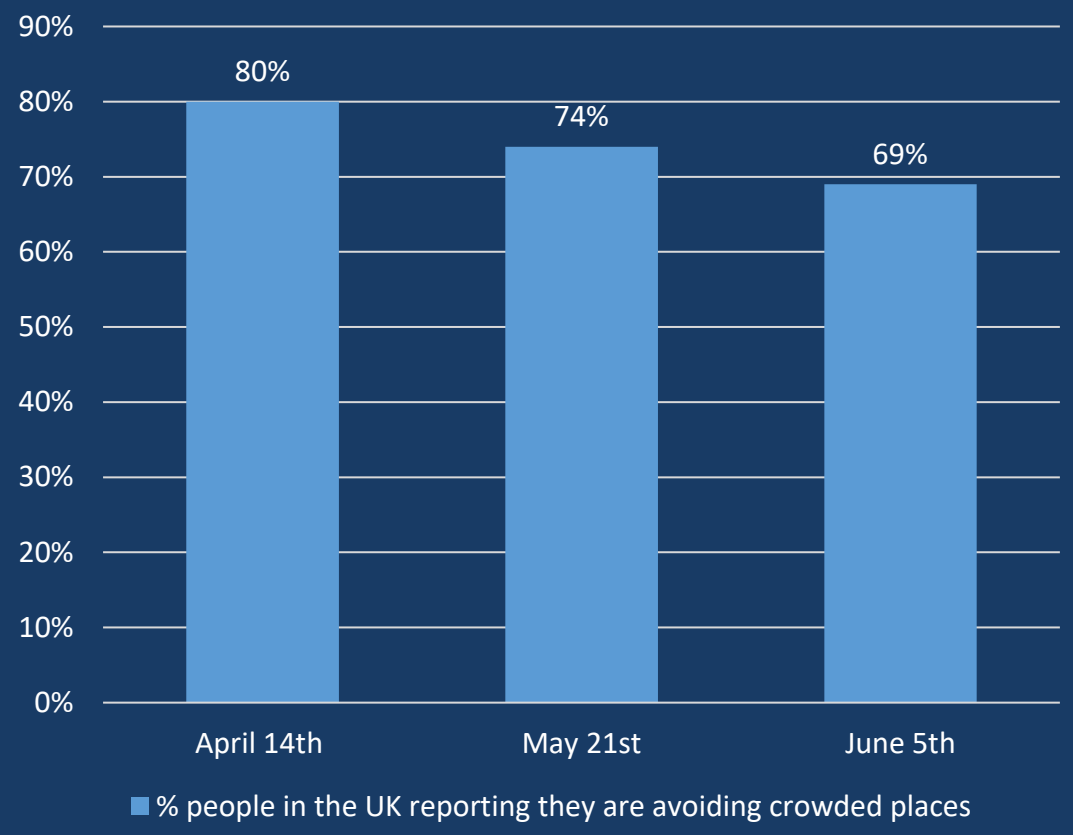
Age and gender distinctions

- 64% of 18 to 24-year olds report feeling comfortable returning to clothing stores, compared to 46% of 50 to 64-year olds.

- Women say they feel less comfortable returning to town centres than men. As an example, women are less comfortable with visiting bars and restaurants (67%) compared to men (52%).

Wariness of public spaces

- The YouGov COVID-19 behavioural change tracker reveals a slight decline in people avoiding crowded places, however the percentage does remain high.



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Different reactions to lockdown

- Research conducted by Kings College has identified three groups of people that react differently to lockdown:

48% of the UK

"The Accepting"

87% say they follow lockdown rules all the time or almost all of the time

44% of the UK

"The Suffering"

93% in this group say they're feeling more anxious and/or depressed since lockdown began

9% of the UK

"The Resisting"

58% think "too much fuss is being made about the risk of coronavirus".

- These percentages may vary as lockdown eases.
- The resisting group is most likely to expect economic impact from the crisis following the pandemic (65%) which could aid the explanation of their resistance to lockdown measures.

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Consensus or polarisation beyond COVID-19

- A survey by YouGov indicates that 29% of consumers will spend more than previously on domestic holidays and only 10% reported they will spend less.

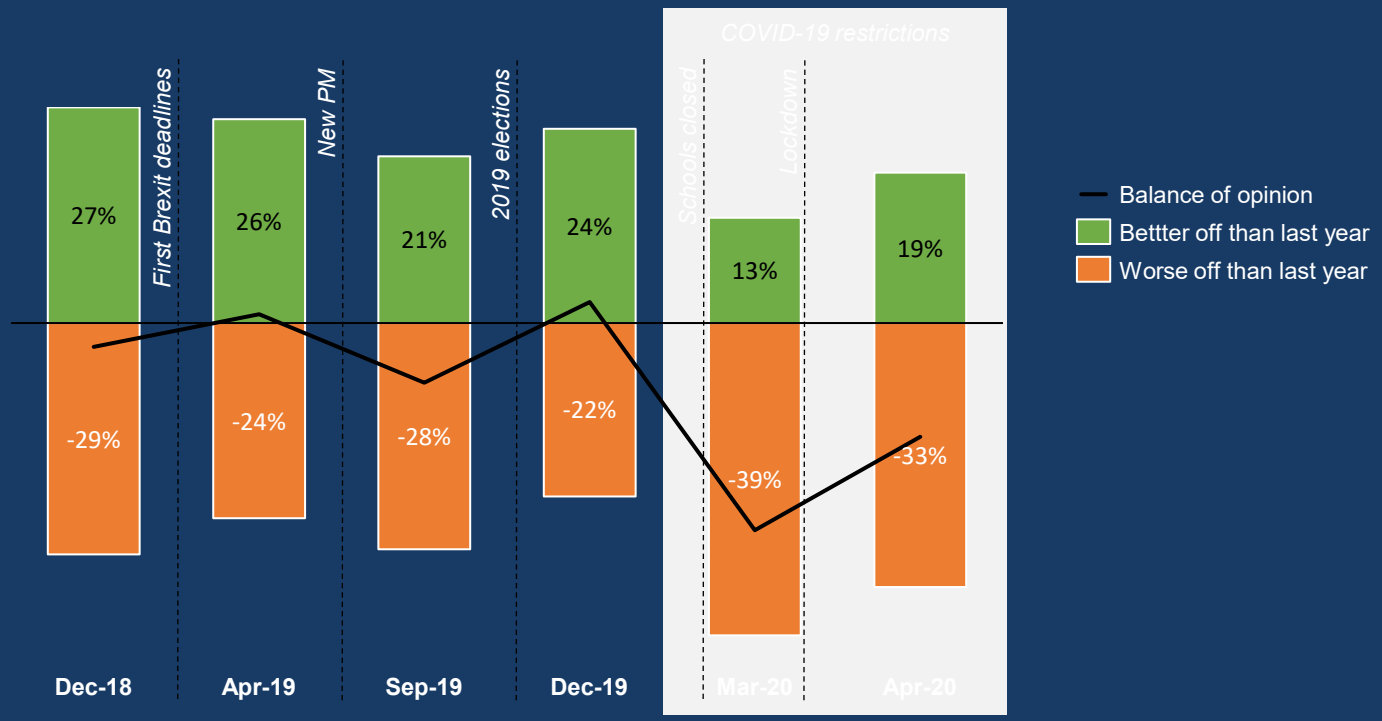
- A poll by Ipsos demonstrates that 46% of Britons think the government should take decisions to help the economy recover despite it harming the environment whilst 43% disagree.

Consensus or polarisation beyond COVID-19

- A consumer sentiment survey by PwC reveals balanced predicted shopping habits post-lockdown as 18% of shoppers claim they will shop more online whilst 22% report they will spend more on the local high street.

PwC Consumer Sentiment, 2018-20

"Thinking about your disposable income in the next 12 months, do you think your household will be…?"



	Dec-18	Apr-19	Sep-19	Dec-19	Mar-20	Apr-20
Net sentiment	-3%	1%	-7%	3%	-26%	-14%
					Live between 20-22 March	Live between 9-11 April

Source: PwC Consumer Sentiment Survey

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ANNUAL FOOTFALL

Total annual footfall 2018 for Canterbury

10,165,217

Total annual footfall 2018 for the South East Region

149,379,100

Total annual footfall 2019 for Canterbury

10,083,448

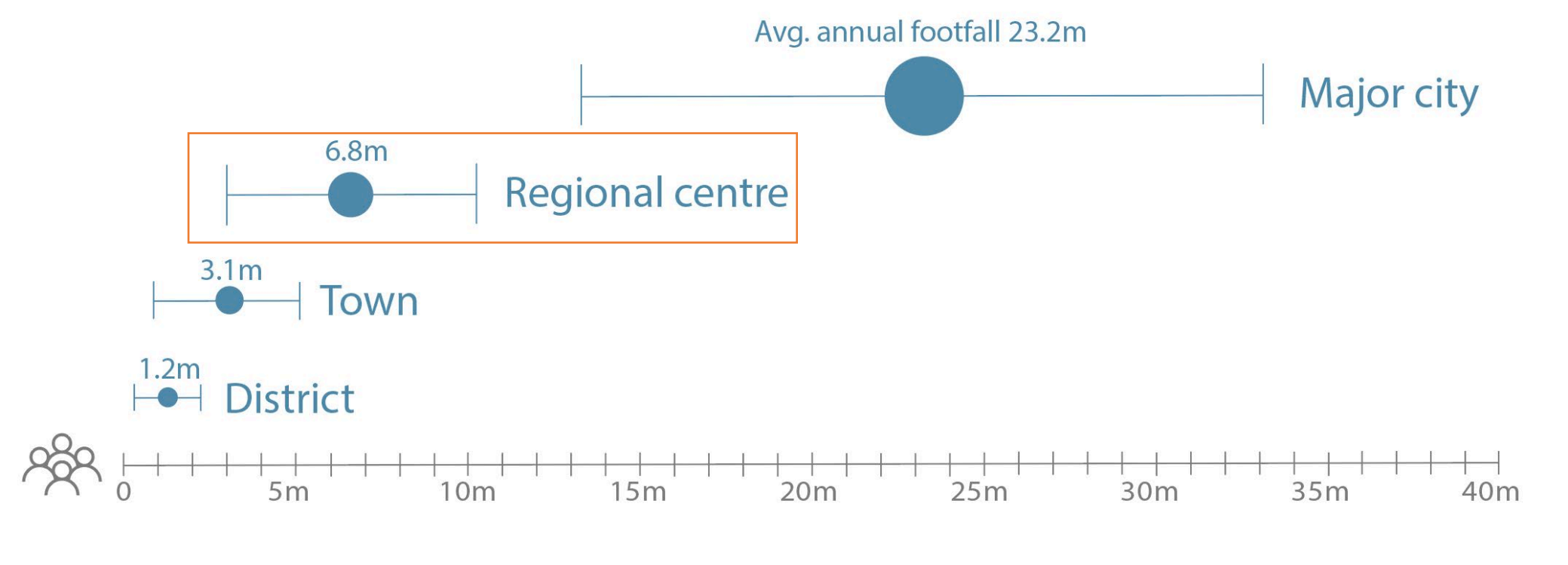
-0.8% from 2018

Total annual footfall 2019 for the South East Region

142,866,600

-4.36% from 2019

RETAIL AND ACTIVITY HIERARCHY



ANNUAL TOWN SIGNATURES: OVERVIEW

Multifunctional towns
Have a relatively flat footfall throughout the year with no noticeable peaks. A mixture of anchors, work, public transport, shopping, markets, tourism, education etc. Often drivers of regional economies or, if smaller, reliable, community hubs.

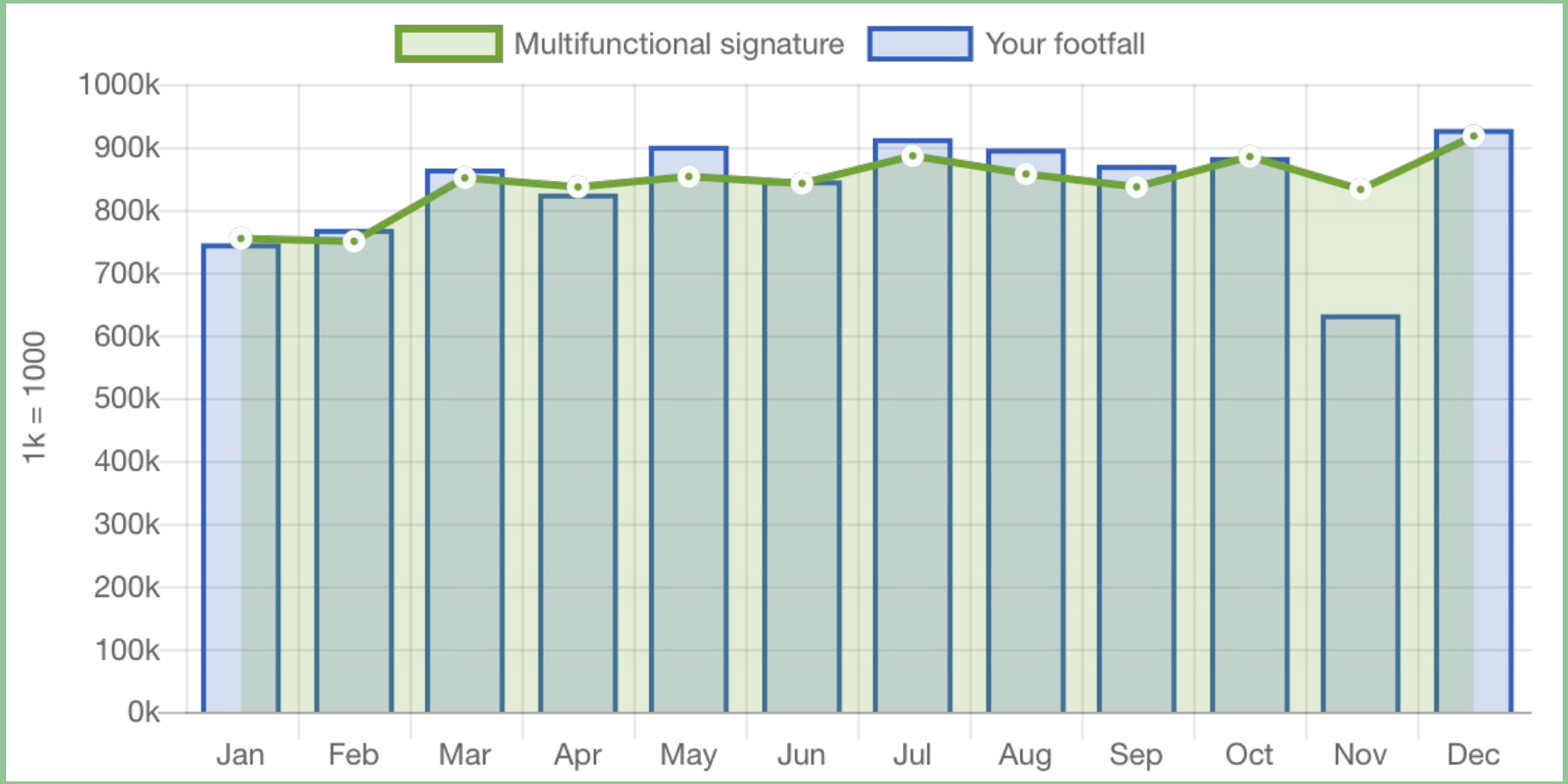
Holiday towns
Are busy in the summer and quiet in the winter. They focus on offering a good experience to visitors during the summer peak, rather than on their local catchment. They are attractive to tourists but have a relatively weak comparison offer.

Speciality towns
Get busier after Easter, with the largest peak in footfall occurring in the summer, followed by a smaller peak before Christmas. Anchor(s) are not retail-based, offering something unique and special (e.g. heritage and culture). They attract visitors but serve local population.

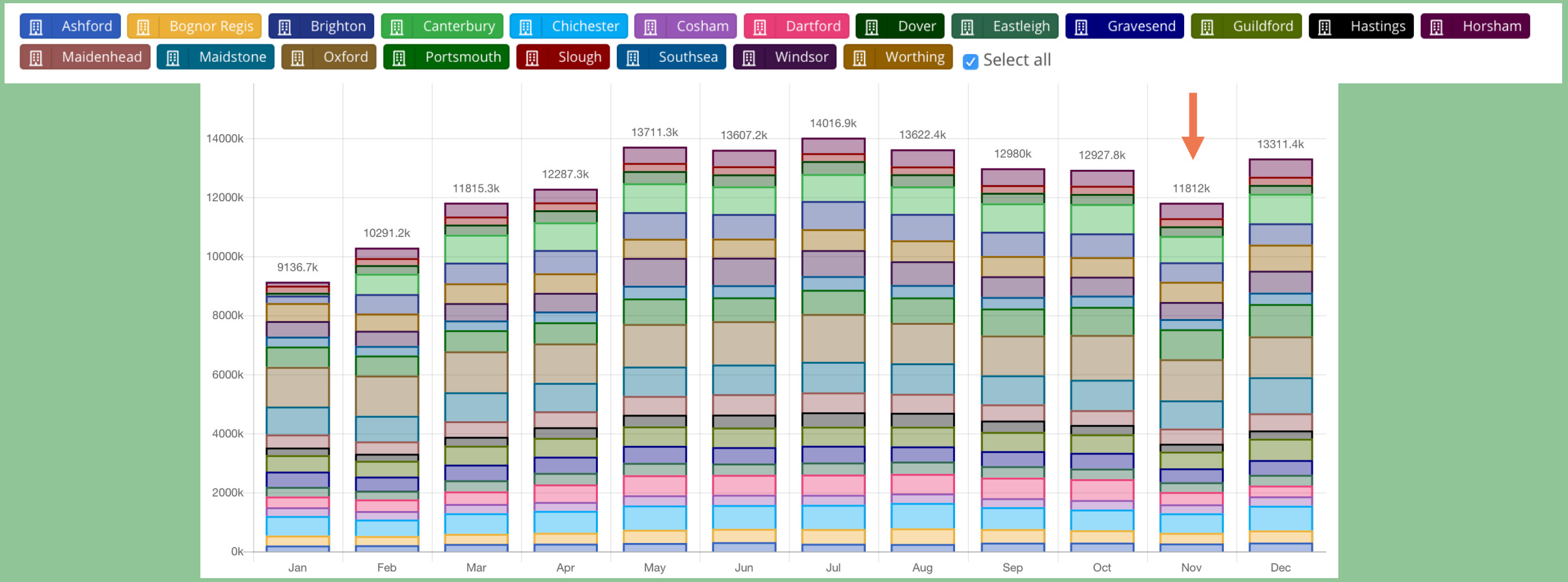
Comparison towns
Have a noticeable peak in footfall in the lead-up to Christmas. They have a wide range of retail choice, leisure, food and beverage, strong retail anchor(s), and presence of international brands. People travel a considerable distance to visit and they serve a wide catchment area.

YOUR ANNUAL TOWN'S SIGNATURE 2019

Best fit: Multifunctional



YOUR ANNUAL TOWN'S SIGNATURE 2019



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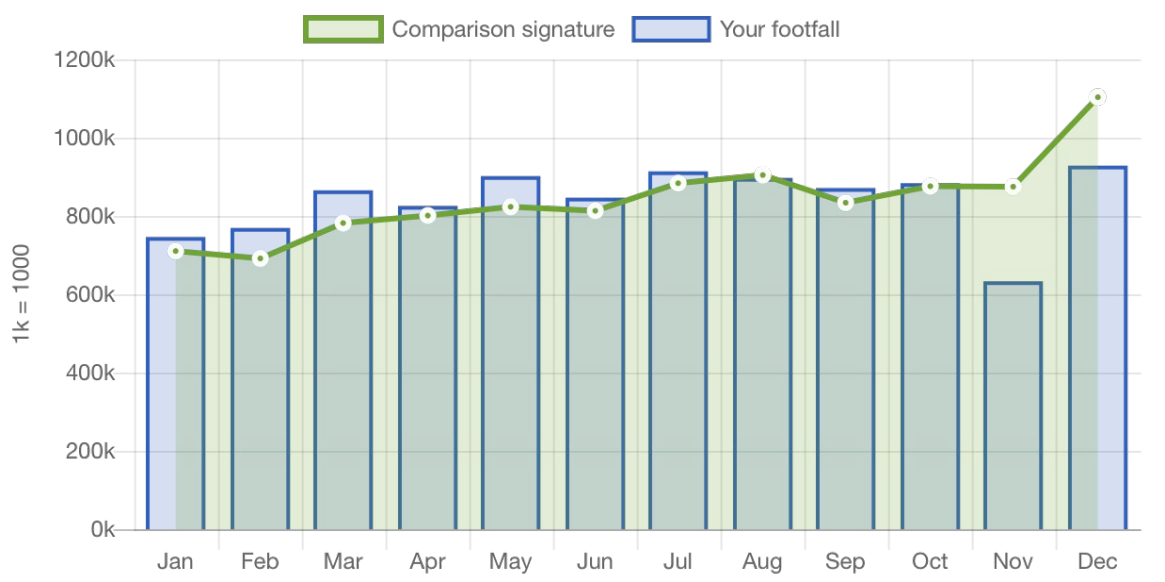
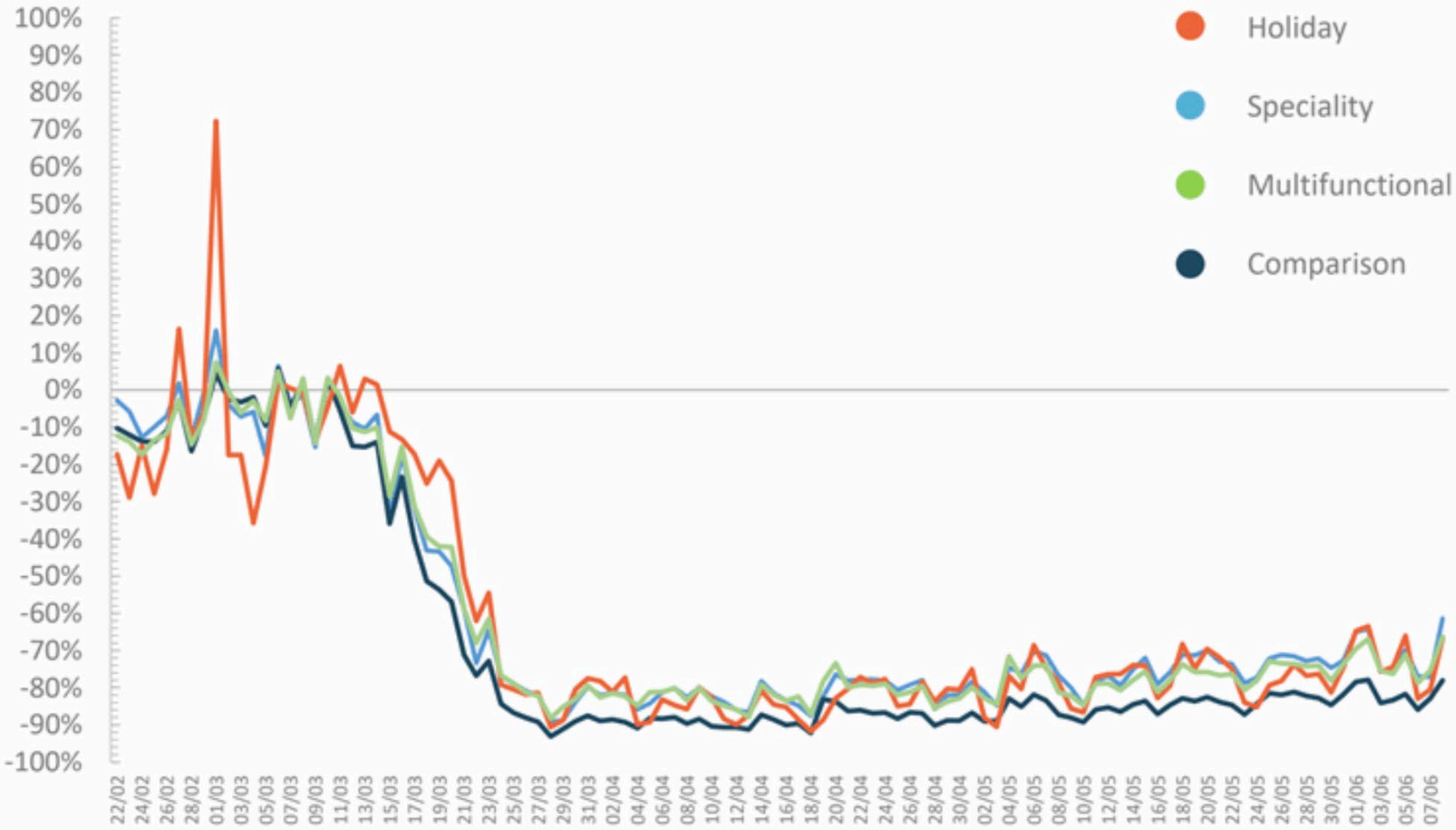
Your footfall and other signatures



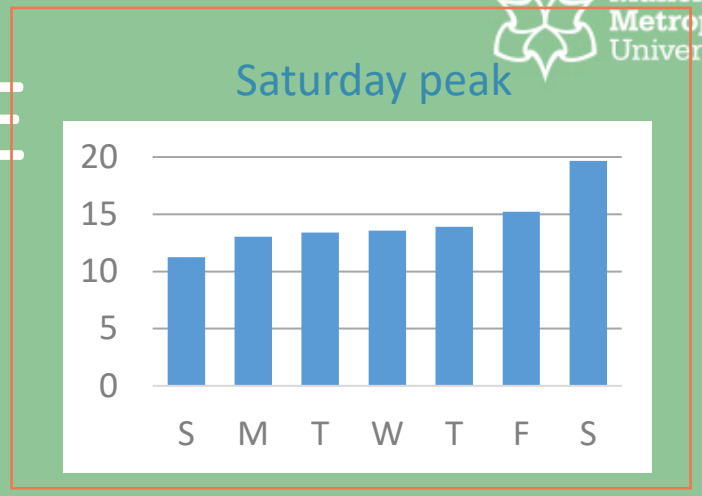


HIGH STREETS TASK FORCE

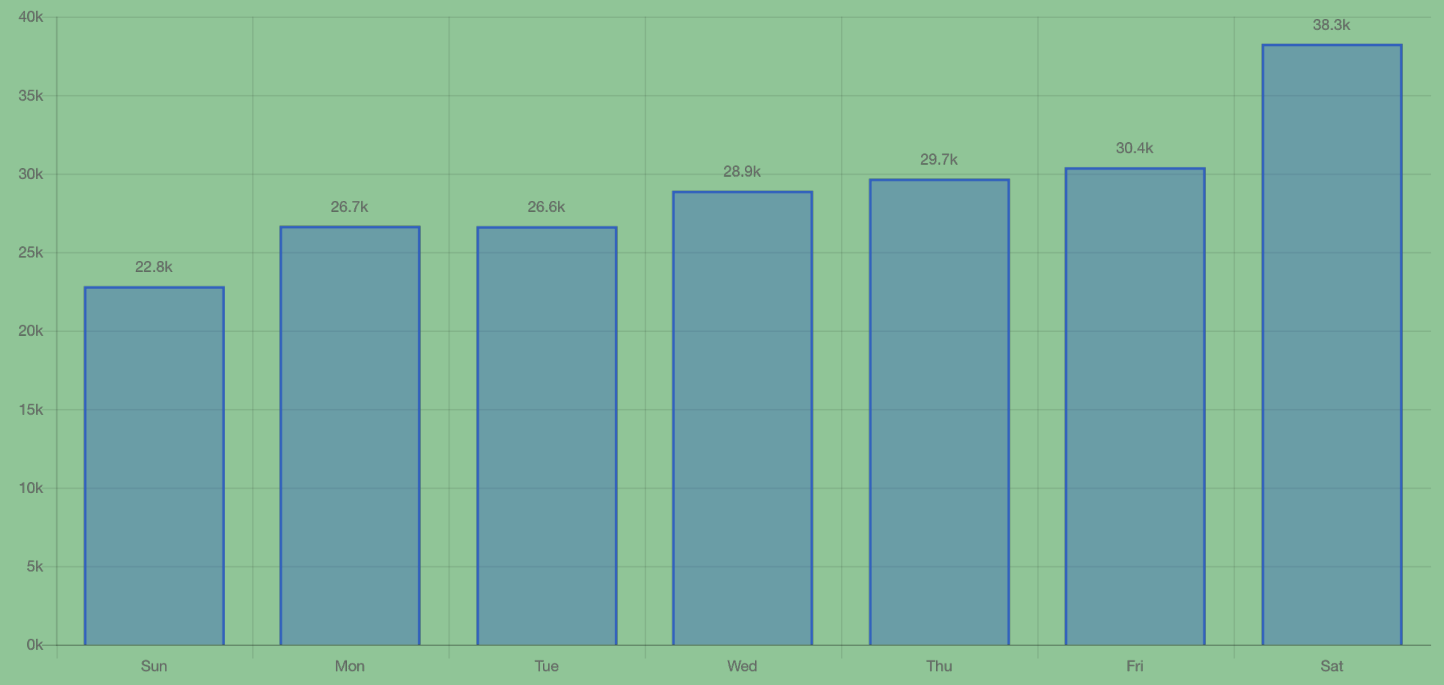
WEEKLY SIGNATURE

Saturday peak

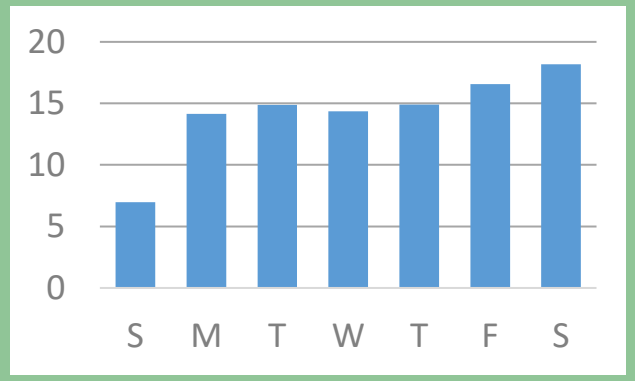
Big peak on Saturday followed by a smaller drop on Sunday. These places tend to be larger and attract weekend visitors from a wider catchment area.



Last week of May 2019



Monday through Saturday steady



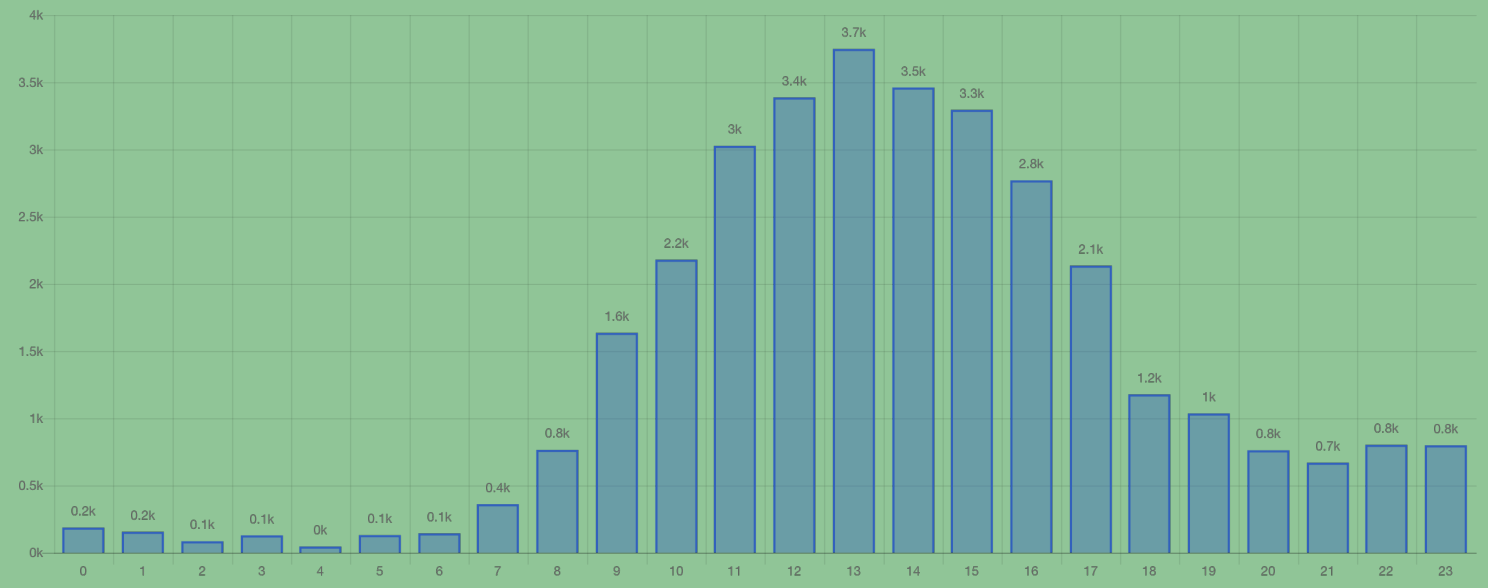
Footfall steady Monday to Friday with a slight peak on Saturday, followed by a large drop on Sunday. These places tend to be smaller and primarily serving their local catchment but are very quiet on Sundays.

DAILY SIGNATURE

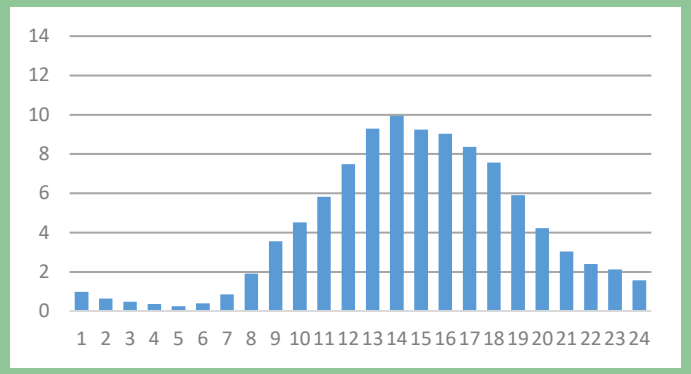
All-day economy

Different activity peaks throughout the day. More customers towards lunch time and afternoon rush hour.
Footfall volume differences are not as pronounced across different times of the day.

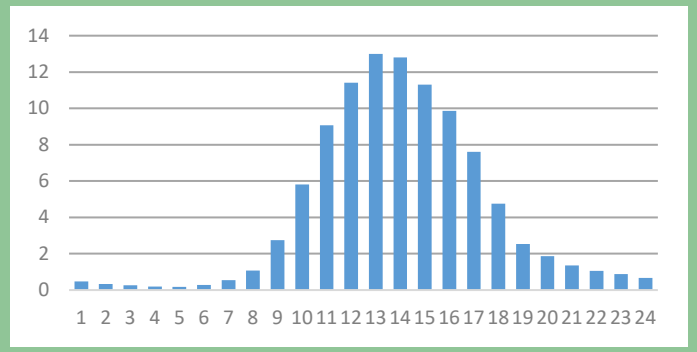
30th May 2019



All-day economy

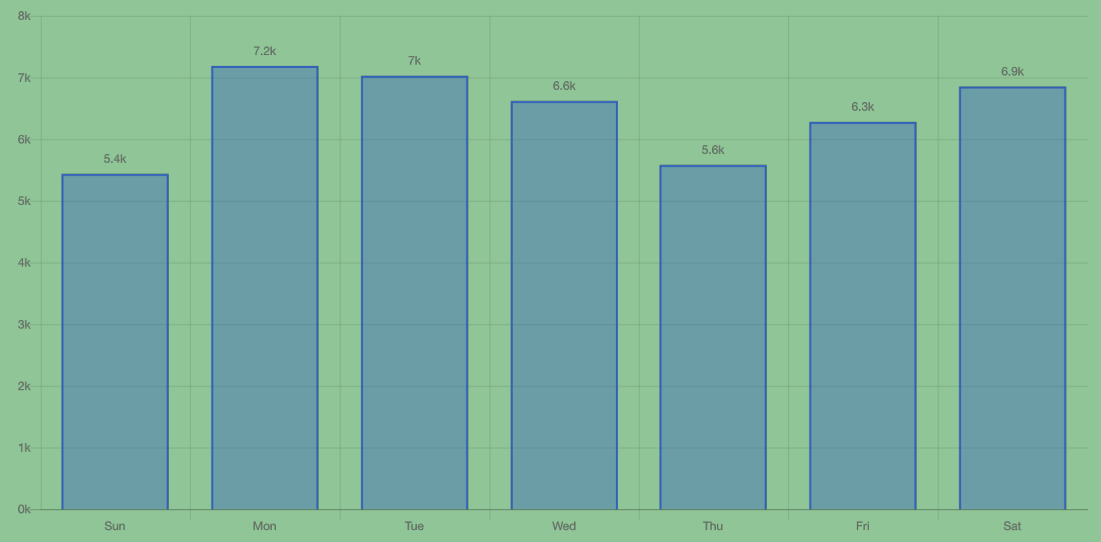


Midday economy



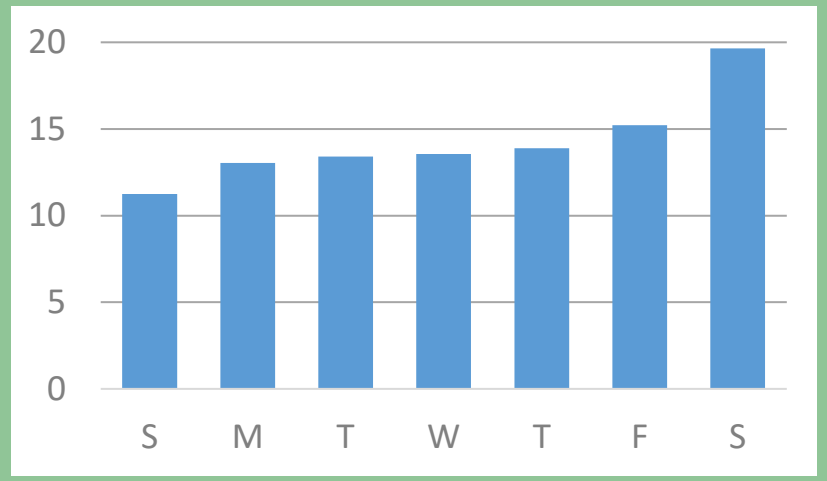
One clear activity peak around midday.
These locations attract footfall based on their lunchtime offer.

FOOTFALL AND COVID-19



2020

Saturday peak



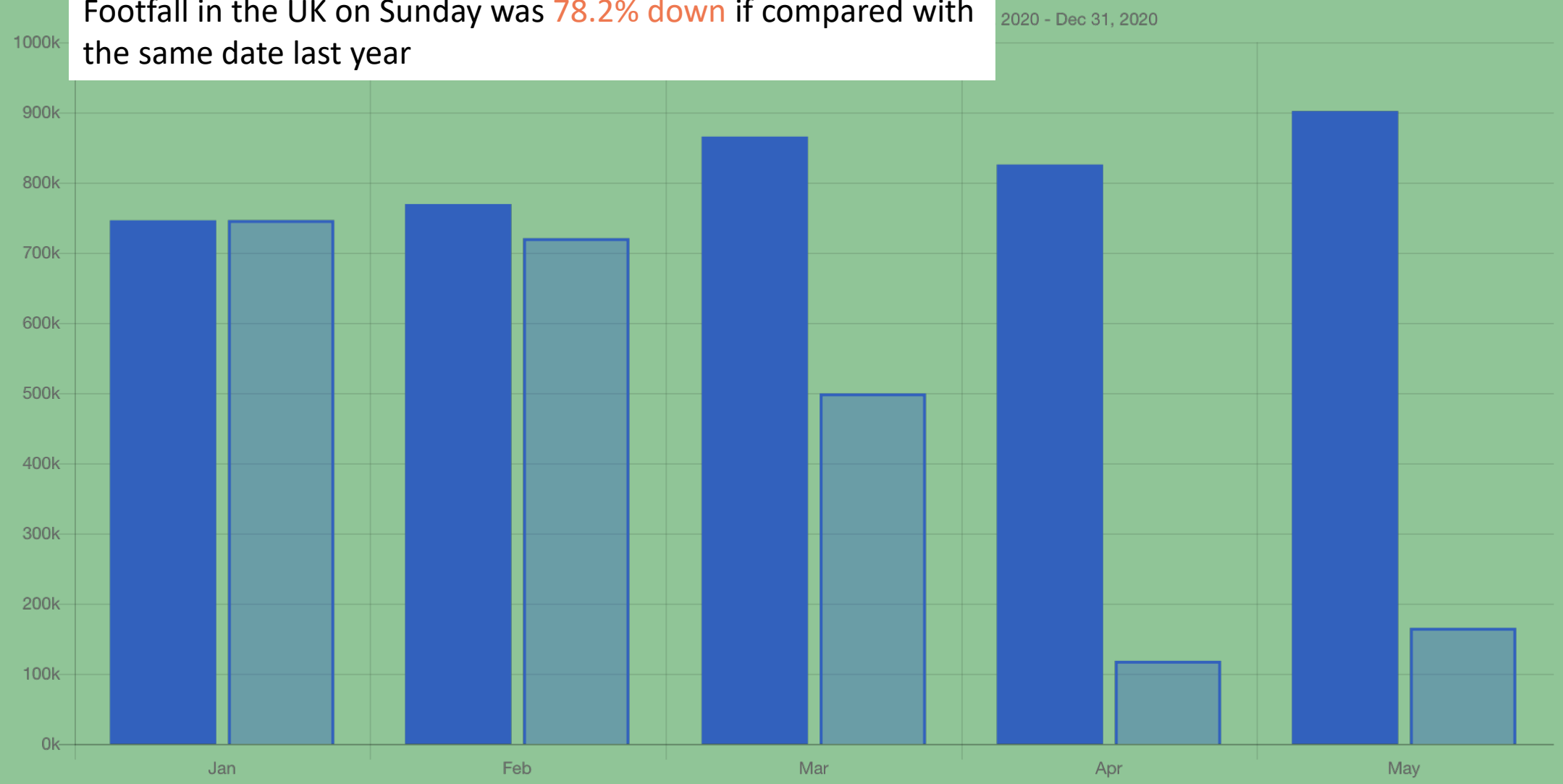
2019

FOOTFALL AND COVID-19

1 Jan – 31 May 2019

1 Jan – 31 May 2020

Footfall in the UK on Sunday was 78.2% down if compared with the same date last year



Exposure to COVID-19

- Canterbury comes 560 out of 745 English towns and cities for its exposure to COVID-19
- Concentration of ‘at risk businesses’
- Interdependencies

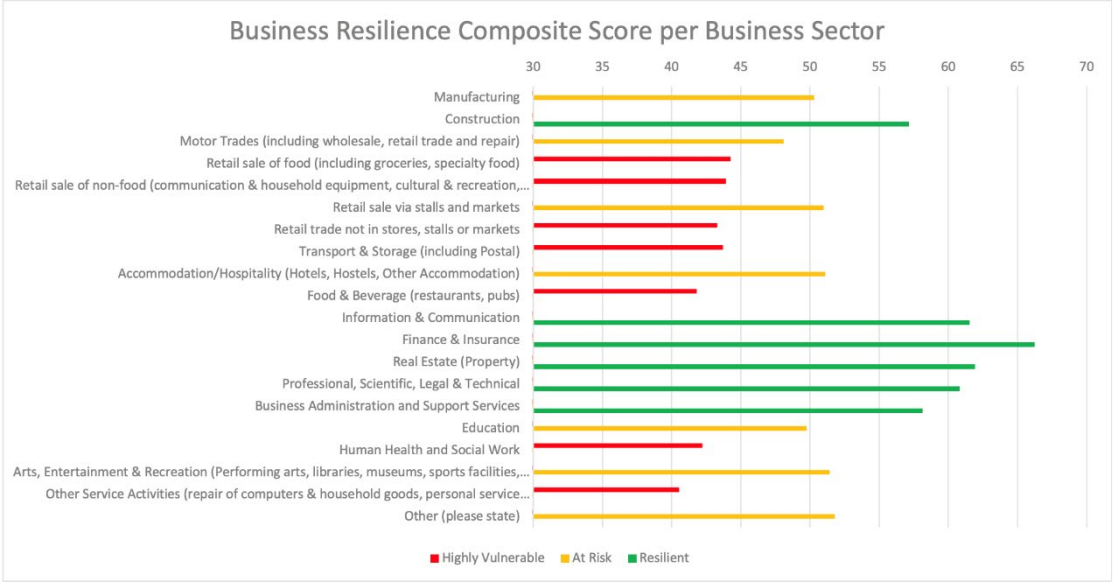
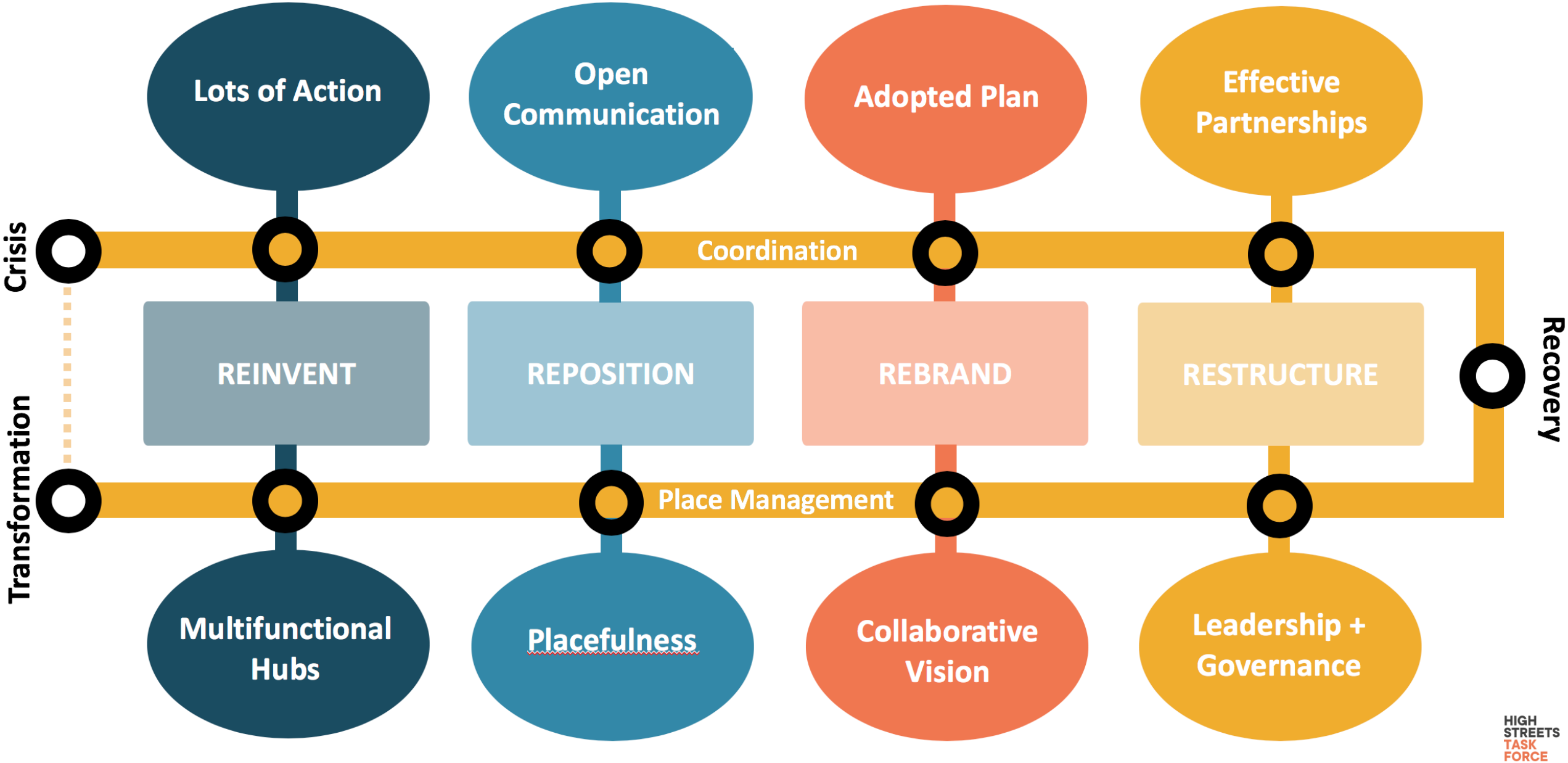


FIGURE A: BAR CHART SHOWCASING THE BUSINESS RESILIENCE COMPOSITE SCORE PER BUSINESS SECTOR USING THE RAG REPORTING SYSTEM


Lots of Action
Open Communication
Adopted Plan
Effective Partnerships
Crisis
Coordination
REINVENT
REPOSITION
REBRAND
RESTRUCTURE
Recovery
Transformation
Place Management
Multifunctional Hubs
Placefulness
Collaborative Vision
Leadership + Governance
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Thank you

Questions?